

REMARKS

Claims 1-24 are pending in the application.

Claims 4, 6-9, 13-15 and 17-23 were withdrawn.

Claims 1-3, 5, 10-12 and 16 are rejected.

Claim 24 is new.

New Claim 24

New claim 24 is based on original claim 8 and page 7 of the disclosure, last two paragraphs.

No new matter is added.

Restriction Requirement of December 27, 2005

A restriction requirement was made on December 27, 2005 replacing an earlier restriction requirement of July 15, 2005.

The Applicants made an election of Group I, claims **1-6, 10-17, 22 and 23** along with traverse. on January 6, 2006.

In the Office Action of May 12, 2006, the Examiner acknowledged the traversal, made the Restriction final but failed to include claims **4, 6, 22 and 23** in her subsequent examination on the merits.

The Applicants failed to notice this omission by the Examiner in their reply of July 10, 2006. As these claims (**4, 6, 22 and 23**) were originally designated as part of Group I, the Applicants respectfully request that these claims be considered along with 1-3, 5, 10-12 and 10-17.

35 USC 103(a)

Claims 1-3, 5, 10-12 and 15 are rejected under 35 USC 103(a) as being obvious in light of EP 01277808.

The Examiner alleges that EP 01277808 teaches the employ of the urea-aldehyde pigment granules in water-based paints. The Examiner specifically refers to paragraph [0002]. Therefore, the Examiner further points out that the formulation of aqueous resin or coating systems utilizing the claimed urea-aldehyde pigments would have been obvious to the ordinary practitioner of this art.

The Applicants disagree for the reasons below:

1. The Applicants believe the combination of the colorant granules in a water-based systems gives unobvious results, thus the combination must be unobvious.
2. The Applicants reject the inherency argument proposed by the Examiner and believe it to be inappropriately applied.
3. Furthermore, the Applicants believe the Examiner to be missing the heart of the present invention. That is, the combination of the color granules in a water based system arrives at a composition which shows advantages not contemplated or envisioned by EP '808. The advantages are realized and reduced to practice by the present inventors only.

In regard to #1:

EP 01277808 does mention as the Examiner points out in paragraph [0002] the possibility of using these granules in a water-based system. However, there are no examples within EP '808 using water-based systems and the urea-aldehyde granules.

Although the Applicants are well aware that a patentee is entitled to more than what is exemplified, the Applicants also point out that the primary purpose of the compositions disclosed in EP '808 is to provide easily distributed pigment compositions in application media and, therefore, readily achieve **excellent color consistency**. See paragraph [0037].

The present claim compositions achieve an effect very different from that exemplified and disclosed in EP'808- that is, when the present granules are placed in a water-based system, the granule forms a distinct phase. This distinct phase remains distinct even upon drying. This distinct phase, present in water-based systems, is necessary for the faux effect.

This contrasts with EP '808 where all the exemplified systems are solvent based and the granule does not form a distinct phase but one that is easily distributed achieving color **consistency**. The present water-based system achieves a faux effect which cannot be described as a consistent color effect but instead is a **burst of color**.

The Applicants further point to example 2 of EP '808. This is essentially the same pigment granule disclosed in the present example 1. Example 2 of EP'808 is dispersed in a solvent paint system and achieves a color strength of 103%. Thus example 2 shows color consistency when applied to a substrate.

When the same pigment granule is placed in a water based system as in present example 1, then applied to a substrate and shear applied to the paint film, a **burst of color** is exposed. This is clearly a very different and unexpected effect produced by changing from solvent to a water-based systems.

Thus although EP '808 might suggest water-based paint systems containing pigment granules, EP'808 never exemplifies. Unobvious results are achieved (faux effect) when solvent systems are replaced by the presently claimed aqueous system as shown in example 2 (EP'808) and example 1 (present disclosure). Therefore, the water based systems must be unobvious in light of the cited art as the effects are completely different (consistent color in example 2 of EP '808 versus a color burst in present example 1).

In regard to #2:

As to the Examiner's inherency argument, that is

"that pigments resulting from the prior art process such as the ability of the pigment granules to dissolve, are considered to be inherently provided by the correlative properties of the components used therein. Since these properties cannot be separated from their components they are necessarily present in the prior art compositions."

As the case law states *In re Spormann*, 363 F.2d 444, 150 USPQ 449, 452 (C.C.P.A. 1966):

[The] inherency of an advantage and its obviousness are entirely different questions. That which may be inherent is not necessarily known. Obviousness cannot be predicated on what is unknown.

The Examiner states that EP'808 suggests the use of water based systems containing the presently claimed colorant granules. The Applicants point out that not one water-based system is exemplified.

Thus EP'808 could not have known that water-based systems in combination with the colorant granules give a faux effect. As the Applicants point out in #1 above, the combination of the colorant granule in a solvent-based system does indeed give very different effects than the colorant granule in a water-based system. Therefore, as EP'808 had no recognition of the advantages and special effects of the water-based systems, the present claims cannot be obvious in light of EP'808 ("That which is unknown cannot be obvious").

In regard to #3:

The combination of the colorant granules in a water-based system gives rise to an effect, a faux effect, not contemplated by EP'808. This is the core of the invention.

It is clear that EP'808 could not have been aware of the advantages that the presently claimed water based systems confer (faux effect) since EP'808 never exemplified water based systems. Thus because the Applicants have understood that this combination (water-based systems with colorant granules) gives rise to a special effect and reduced to practice, the present inventors are entitled to their claimed discovery.

New claim 24 is directed to a faux effect paint on a substrate. Clearly there is nothing in EP'808 to suggest a faux effect paint on a substrate. In order to achieve this effect the granules must be dispersed in a water-based system and maintain its distinct phase even after drying. This is possible only in a water-based system. Although EP '808 may suggest the use of the colorant granules in a water-based system, EP'808 exemplifies none. Furthermore, EP'808 never suggests rupturing the granules to create a faux effect or was aware that such an effect could be achieved. Thus claim 24, cannot be obvious in light of EP '808.

Reconsideration and withdrawal of the rejection of claims 1-3, 5, 10-12 and 16 is respectfully solicited in light of the remarks *supra*. Furthermore, the Applicants respectfully request examination on the merits of claims 4, 6, 22, 23 and new claim 24.

Since there are no other grounds of objection or rejection, passage of this application to issue with claims 1-3, 5, 10-12 and 16 is earnestly solicited.

Applicants submit that the present application is in condition for allowance. In the event that minor amendments will further prosecution, Applicants request that the examiner contact the undersigned representative.

Respectfully submitted,



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